



## Early Journal Content on JSTOR, Free to Anyone in the World

This article is one of nearly 500,000 scholarly works digitized and made freely available to everyone in the world by JSTOR.

Known as the Early Journal Content, this set of works include research articles, news, letters, and other writings published in more than 200 of the oldest leading academic journals. The works date from the mid-seventeenth to the early twentieth centuries.

We encourage people to read and share the Early Journal Content openly and to tell others that this resource exists. People may post this content online or redistribute in any way for non-commercial purposes.

Read more about Early Journal Content at <http://about.jstor.org/participate-jstor/individuals/early-journal-content>.

JSTOR is a digital library of academic journals, books, and primary source objects. JSTOR helps people discover, use, and build upon a wide range of content through a powerful research and teaching platform, and preserves this content for future generations. JSTOR is part of ITHAKA, a not-for-profit organization that also includes Ithaka S+R and Portico. For more information about JSTOR, please contact [support@jstor.org](mailto:support@jstor.org).

shall we tell the Trust Promoters?" and to include in this latter the following sentences quoted from the former, "Just so far as competition fails, there will result waste of materials, dissipation of energy, misdirection of effort, ending in a lower and still lower satisfaction of human wants. The socialistic talk of the day, in disparagement of competition, is either mere miserable cant, or else, if sincere, it is the expression of profound ignorance of the conditions which attend man's subjection of nature to his needs."

This review might be indefinitely extended, but sufficient has been said to convey the impression that a distinct service has been rendered the science of political economy by this collection of essays. The views which they contain are doubtless expressed in the books and administrative activities of their author, but there is something more personal in an article than in a volume, and it is not infrequently the case that the first unguarded expression of an idea is its strongest and truest expression.

We perhaps have no right to expect a better engraving than the one which appears in these volumes, but all friends of President Walker, who have ever seen him at work, must regret that the marks of power have been smoothed away from the forehead.

HENRY C. ADAMS.

---

*Die Pflicht im Wirtschaftsleben.* By GEORG VON MAYR. Tübingen, 1900. 8vo, pp. 66.

AN address delivered before the Munich Society, "Aula," last October, has been expanded into a pamphlet of 66 pages. It is of great interest, because it expresses the opinions of an experienced student upon fundamental questions of the day, and because further, it reminds us of the similarity of the problems pressing forward for solution, at the same time, in far separated quarters of those portions of the earth where alone advanced problems of a social nature are possible.

It is Professor von Mayr's conception of the relation of morals to economics, and his application of that conception to the fields of trusts and labor unions, that must chiefly interest us. His paper is, undoubtedly, a good antidote for the prepossession of the young economist that the moral field is subordinated to the economic. We have here, indeed, a reaction from this prepossession, which seems almost excessive. We are told that "all fundamental principles of

economic life are grounded in the law; they are the chief repressors of absolutist and violent egoism, from the establishment of the legal institutions of freedom, property, and inheritance up to the recent legal formulation of protection to labor and labor insurance. There can be no question that in economic life, law is decisive." On many of these points, it could be contended that economic conditions had been decisive in forming, and are decisive in sustaining, the existing laws.

The interesting point of all this is that while Dr. von Mayr raises points with which a colleague may find matter for controversy, he exhibits that wholesome breadth of view, that honest acceptance of the actual, and that freedom from the popular impulses and "isms" of the hour, which mark the ripe student of society. With him, duty, morality, is a separate, independent category. It is no popular conception, the resultant of a mass of influences too great for popular analysis, no secondary idea, not a sort of a handy  $x$  which stand for a complicated series of mechanical utilities, but a simple, fundamental, social impulse. Instead of looking on economy as the medium through which the environment causes a more or less fixed adaptation of human nature in the form of duty, and upon law as the crystallization of this process, he places economy last. Instead of the order: (1) economy, (2) morality, (3) law, his order is: (1) morality, (2) law, (3) economy. At times, the second member is left out: in a vast mass of individual actions, law does not intervene at all, but duty in the form of custom (peculiar to the field in question, whether large or small) is decisive upon the actions of man in his economic capacity. It will be noticed how neatly Dr. von Mayr disappoints us. We might expect rank socialism from the man that stoutly denies the overshadowing influence of economic evolution. Instead of that, we find a stronger individualism founded upon the ground of the evolution of morality within the individual! Nor is the apparently lower sphere assigned to economy a matter of prejudice. Such prejudice would be incomprehensible in a life-long economist, although perhaps not entirely unnatural in the author of *Die Gesetzmässigkeit im Gesellschaftsleben*. The whole impression, however, is that of the man who is master of his studies and not mastered by them. With simplicity similar to the treatment of duty, the state is given an objective existence which must needs struggle for survival against the baneful influences of socialism.

The different economic categories are passed in review, in order to discover their relation with the moral and legal worlds. With consumption, legal regulation has little influence. The duty of the individual, however, is set by moral norms which are not to be mistaken. While, of course, the duty of saving must not be neglected, the duty of spending is imperative. The great law is laid down that with advancing culture our tastes must become more refined, and our production less materialistic; one could wish this topic had been handled at length. The argument, however, is not that of the socialists, that too much capitalization reduces wages: it is rather that of the moralist, that an end to grosser satisfactions cannot be too early. Again, production is in large part properly under individual care, and also chiefly confided to the direct influence upon individuals of normal morality. The state is, indeed, a producer of many useful things, such as the army and navy, and it sanctions the historical development of different classes of producers; but the necessity of inequality and the utility of the opportunity of rising are inherent in human nature, and exert a direct moral effect in establishing the relations of economic persons. But individualistic production is open to grave abuses: wealthy land-owners withdraw their land from cultivation and turn it into parks, and manufacturers alternately force their plant into feverish activity and then bring it to a standstill, with a view to gaining profit from the inconvenience of others. It is a duty that the soil be kept in cultivation. We are reminded of Adam Müller's peasant's love of the soil as such. Moreover, it is a duty not to abandon the soil of the fatherland or at least that of its colonies. The protective tariff system should make it possible for cultivators to remain at home. In fact, the institutions of private property in land and private property in capital are only possible as the persons who have those social instruments under their private control conform to the conditions of regard for public welfare upon which they received it. Thus in general it is true that the capitalist does further public interests in the increase which he brings about in general wealth, but it is perfectly possible that capitalism may rage like a catastrophe of nature in a peaceful group of producers who have been following the beaten path. In such cases, the state does and should step in to regulate the aberration.

The laborer is bound, equally with the capitalist, to labor in the interest of the common weal. He may be a mechanic, but he is not a

mechanism. Labor is no ware to be bought and sold regardless of moral consequences. The laborer is first of all a man, with a man's duties and rights. Freedom of labor is necessarily coupled with duty to labor, *i. e.*, a social obligation to remain continuously at work. From this simple proposition is derived a plain argument as to the relation between law and labor. The tendency of labor to abuse its freedom may threaten the very existence of the state (which here seems to be taken synonymously with society) and it is the duty of the state to take proper measures for its preservation. What these measures are is indicated quite clearly. At the present stage of the game there is no possibility or utility in the forcible repression of trades unions. On the other hand, those persons commit a grave error who think that by encouraging the organization of trades unions to the highest point, the labor problem is to reach a final and peaceful solution. No such solution is to be found from the side of the initiative of the laborers. The state must, on the one hand, recognize the right of laborers to combine, and on the other hand must limit that right in such a way that combinations shall not be made for the purpose of stopping industry. The evil manifests itself at present chiefly in the sympathetic strike. Laborers stop work who are very remotely interested in the dispute in question; but what is worse, one company of laborers takes advantage of another. The sympathetic strike is oftenest a result of intimidation. If the socialistic organization of labor is carried too far, the state will be compelled to do more than simply attempt to keep the peace—it will have to intervene actively in education and with a system of official reconciliation and arbitration.

“The economic common duty of all who take part in the process of production, is the making possible of the largest production, and of one that shall be uninterrupted and that shall be kept free from all disturbances through the unsocial will of a single factor.

“From this point of view, every forcible interruption of the normal course of production by a decision *en masse* not to labor, or by a decision of undertakers not to allow labor, is an insurrection against the economico-moral common duty.

“If the state stands on the principle: right for laborers to combine, but no compulsion to combine—and it must stand on this principle if it is not going to give up entirely—then there can be no doubt about the necessity of liberal protection, not only for those

outside of a combination (*scabs*) but also, where the case arises, in favor of those combined in one society, against the more powerful members of another. It is important to notice that the question is one not only of the protection of individuals, but also of those who are in combination."

The increase of labor agitation has been accompanied by an increase of crime, especially among youth. Education is necessary to maintain the normal moral status.

It is in distribution that the intervention of the state is chiefly indicated. This portion of the essay might almost have been written by a socialist, it gives so liberal a play to the state. But no! Our author distinctly recognizes that charity is a moral duty active within the *individual*, and that, in actual exercise, it is chiefly individualistic. Nevertheless, the state may here, and properly does, take most active part. It may inculcate the duty of saving, and it must set up a system of protective duties in order to further the sense of common fatherland and national ideals. "A proper national policy of protective tariffs will grant a favorable distribution of air and sun for the totality of national production, against unfavorable tendencies of the economy of the whole world; it is not to be justified upon opportunist grounds, but it has also a significant, moral background. To hand over an important branch of national production to the tender mercy of free trade, were an offense against the common moral duty of the nation."

Notice that protectionism is here placed on the only basis upon which it and other positive legislation must stand, namely, that of charity.

But Dr. von Mayr goes still further, he not only champions state insurance of laborers against sickness, accident, and old age, but he believes in progressive taxation, in taxation of vested property, and in repression of excessive speculation, with a view to level out the differences in fortune between different members of society.

At the end, we feel that the ripe student may travel safely very far the road of state interference, which would lead the novice quickly to the brink of chaos. Dr. von Mayr's most telling sentence is, "The man and the money-maker must be reconciled."

W. G. LANGWORTHY TAYLOR.

UNIVERSITY OF NEBRASKA.